



SACHI A. HAMAI  
EXECUTIVE OFFICER

# COUNTY OF LOS ANGELES BOARD OF SUPERVISORS

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## MEMBERS OF THE BOARD

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December 21, 2010

TO: William T Fujioka  
Chief Executive Officer

FROM: Sachi A. Hamai  
Executive Officer

SUBJECT: FOUR POINTS OF INTEREST IN NEGOTIATING A PROJECT  
LABOR AGREEMENT

At the Board of Supervisors' meeting held December 14, 2010, during discussion of Agenda No. 67, the Board requested you to report back to the Board on the Merit Shop Community's 4 Points of interest in negotiating a Project Labor Agreement for the Martin Luther King, Jr. Medical Center Replacement Project - Multi-Service Ambulatory Care Center, which include the following:

- Apprenticeship – Currently, only apprenticeship programs maintained by the Joint Labor Management Committee (union) are allowed to dispatch apprentices to jobs governed under a PLA. Apprentices from State & Federally approved Unilateral Apprentice Programs (Merit Shop) should also be allowed to work as apprentices. This should also apply to payments for training;
- Medical/Pension Benefits - Contractors belonging to Merit Shop organizations like ABC generally provide benefits to their employees. We understand the desire of the County to have benefits rather than a cash payout provided to the workers. Merit Shop contractors providing benefits should not have to pay additional benefits to unions. Furthermore, no one should be forced to pay into union pension programs. Employees must opt in with full knowledge of vesting restrictions;

- Core Workforce – Merit Shop contractors, unlike union contractors, maintain their own family of workers and endeavor to keep each employee working full-time year round. Traditional PLA language only allows a Merit Shop contractor to use between 4 and 10 of their own workers; all others must come from the union. Contractors should be able to utilize their own workforce and not be forced to send them through union hiring halls as a condition of employment. Final document must not include language requiring one to one (one employee from the contractor and one from the union and so on) hiring; and
- Local Hire – Language relating to local hiring within a Project Labor Agreement generally does not mandate the use of local workers. Typically what is found is language that only encourages contractors to make a “good faith” effort to meet the local hire goals. We propose strengthening the language with a requirement that the project include 30% local hire and a set of measures that contractors can follow to insure that the jobs they have available in the community are reaching the workers in that area.

Enclosed is a copy of the document to assist you in preparing your report.

SAH:ag

Enclosure

c: Each Supervisor  
County Counsel  
Director of Public Works

## **The Merit Shop Community's 4 Points of interest in negotiating a PLA for the Martin Luther King Jr. Medical Center Replacement Project - Multi-Service Ambulatory Care Center**

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**Local Hire** – Language relating to local hiring within a Project Labor Agreement generally does not mandate the use of local workers. Typically what is found is language that only encourages contractors to make a “good faith” effort to meet the local hire goals. We propose strengthening the language with a requirement that the project include 30% local hire and a set of measures that contractors can follow to insure that the jobs they have available in the community are reaching the workers in that area.

Furthermore, The Merit Shop Community requests a seat at the table when the final PLA is negotiated between the County and the various construction trades. Our contractors and their workers have just as much at stake as any of the individual trades and should therefore have representation in the negotiations.